REMARKS

Claims 1-11 have been examined on their merits.

I.   Preliminary Matters

The Examiner has not acknowledged the drawings filed on May 1, 2001. Accordingly,

Applicant respectfully requests the Examiner to indicate, in the next Office Action, whether the

drawings are acceptable.

In addition, the Examiner has not acknowledged the Information Disclosure Statement

filed on October 15, 2004. Accordingly, Applicant respectfully requests the Examiner to provide

an initialed PTO/SB/08 A & B form with the next Office Action.

II.   Rejections under 35 U.S.C. § 102 (b) in view of U.S. Patent No. 5,724,423 to Khello ("Khello").

The Examiner has rejected claims 1-11 under 35 U.S.C. § 102(b) as allegedly being

anticipated by Khello. Applicant traverses the rejection of claims 1-11, and insofar as the

rejection might apply to new claims 12-21, for at least the reasons discussed below.

A.   Claim 1

Applicant submits that claim 1 is patentable over the cited reference.

Khello discloses, interalia, a basic encoding/decoding process for protecting a PIN

number from fraud, computer hackers, etc. (col. 1, lines 5-9). For example, a user enters a PIN

number into a UAS encoding device 22, and the encoding device automatically encodes the PIN

before sending it to the service application center via a network (col. 6, lines 10-30). The service

application center then decodes the encoded PIN number to determine if the user is authorized to

use a respective service (col. 8, lines 37-41).

Khello, however, fails to teach or suggest the claimed "arbitrary numeric value." In

particular, there is no arbitrary numeric value that is transferred by the service application center,

via the network, to the user, which is then used in a registered numerical calculation method.

The Examiner maintains that col. 7, lines 5-12 and col. 15, lines 40-49 disclose the transfer of an

arbitrary numeric value. In view of the cited portions of Khello, it appears the Examiner

maintains that the random number generated by the code generator 30 of the UAS device 22 is

the claimed arbitrary numeric value. However, the user is not connected to the UAS device 22

via a network, and further, the UAS device 22 does not send the random number to the user.

Rather, the user inputs a PIN number directly into the UAS device 22 so that the PIN number can

be encoded prior to being sent via the network or internet. Therefore, even if the random number

generated by the UAS device 22 discloses a type of numeric value, the random number is never

sent from the UAS device 22 to the user, let alone from the actual service providing site to the

user, as recited in claim 1.

Further, the random number generated by the UAS device 22 is never used by the user in

a numerical calculation method. Rather, the generated random number is specifically used by

the UAS device 22 to help encode the PIN number input by the user. As disclosed in Khello, the

user only needs to remember the PIN number, and it is the UAS device 22 that generates a coded
and encrypted PIN (col. 6, lines 20-30; col. 9, lines 42-29).

Also, even if Applicant assumes *arguendo* that the encoded PIN number discloses the
claimed first calculation result (by virtue of the calculation method used to encode the data), and
the decoded PIN number discloses the claimed second calculation result (by virtue of the
calculation method used to decode the data), the reference still fails to teach or suggest the
claimed features. For example, claim 1 recites that the user becomes authorized when the first
calculation result equals the second calculation result. Since the encoded PIN number (i.e. a long
string of numbers) fails to equal the decoded PIN number (i.e. the basic PIN number), the user of
Khello would never become authorized based on the method recited in claim 1.

In view of the above, Applicant submits that claim 1 is patentable over the cited
reference, and respectfully requests the Examiner to reconsider and withdraw the rejection.

B.   Claims 2, 3, 9, 10 and 11

Since independent claims 2, 3, 9, 10 and 11 contain features that are analogous to the
features recited in claim 1, Applicant submits that such claims are patentable for at least
analogous reasons as presented above.

C.   Claims 4-8

Since claims 4-8 are dependent upon claim 3, Applicant submits that such claims are
patentable at least by virtue of their dependency.

D.   New Claims 12-21

Since claims 12-21 are dependent upon claims 1-3 and 9-11, Applicant submits that such

claims are patentable at least by virtue of their dependency from their respective independent

claims.

IV.   Conclusion

In view of the above, reconsideration and allowance of this application are now believed

to be in order, and such actions are hereby solicited. If any points remain in issue which the

Examiner feels may be best resolved through a personal or telephone interview, the Examiner is

kindly requested to contact the undersigned at the telephone number listed below.

The USPTO is directed and authorized to charge all required fees, except for the Issue

Fee and the Publication Fee, to Deposit Account No. 19-4880. Please also credit any
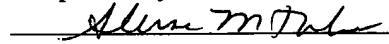
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